VZCZCXRO0948 OO RUEHCHI RUEHDT RUEHFK RUEHHM RUEHKSO RUEHPB DE RUEHHI #2179/01 2371030 ZNR UUUUU ZZH O 251030Z AUG 06 FM AMEMBASSY HANOI TO RUEHC/SECSTATE WASHDC IMMEDIATE 3185 INFO RUEHHM/AMCONSUL HO CHI MINH CITY 1705 RUEATRS/DEPT OF TREASURY WASHDC RUEHGV/USMISSION GENEVA SZ 1108 RUCPDOC/USDOC WASHDC RUEHRC/USDA WASHDC RUEHRC/USDA FAS WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEHZU/APEC COLLECTIVE RUEHZS/ASEAN REGIONAL FORUM COLLECTIVE

UNCLAS SECTION 01 OF 02 HANOI 002179

SIPDIS

STATE FOR EAP/MLS AND EB/TPP/BTA/ANA STATE PASS USTR DAVID BISBEE USDOC FOR 4431/MAC/AP/OPB/VLC/HPPHO TREASURY FOR OASIA

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: ECON ETRD WTRO VM

SUBJECT: NATIONAL ASSEMBLY CONSIDERS OPTIONS FOR IMPLEMENTING WTO COMMITMENTS

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11. (SBU) Summary: The Vietnamese National Assembly (NA) is making plans for its fall session, in which the first order of business will be to ratify Vietnam's WTO Accession Protocol. The NA has not yet received detailed instructions from the Vietnamese government on changes in specific laws that would be needed in order to implement WTO commitments. In anticipation of making such changes, however, the NA initially considered two options: attaching an annex to the ratification resolution with a list of laws that the NA promises to amend in the 2007 spring session, or making the Accession Protocol self-enforcing. Neither of these options would fully satisfy the concerns of the United States or others. Now however, the NA leaders are considering passage of specific legal changes either in an omnibus law or as an appendix to the resolution ratifying the Accession Protocol. End summary.

NA Fall Session - First Business to Ratify WTO Accession

12. (U) The National Assembly is seized with the issue of how to harmonize Vietnamese law with new commitments under WTO. At one point there was some talk of calling a special National Assembly session to pass WTO-related legislation. Given that multilateral discussions have not yet concluded and that the GVN has not yet submitted any concrete proposals to the National Assembly, a special session is now not considered practicable. According to NA officials, the NA fall session is likely to last from October 17 to November 10, then break for ten days for APEC, and then reconvene from November 21 to December 5. (Note: In Vietnam's legal system, the State President has full authority to ratify international agreements. However, in about four or five cases, including the U.S.-Vietnam Bilateral Trade Agreement, former President Tran Duc Luong chose to transfer this authority to the NA. Our contacts expect, with 95 percent confidence, that current President Nguyen Minh Triet will choose to do so with the WTO Accession Protocol. End Note.)

Options for Implementing WTO Commitments

- 13. (SBU) NA leaders are trying to determine how to best handle any changes in laws needed to comply with the final Protocol. They have not yet been given detailed suggestions on this matter by the government. In the absence of direction, they anticipate that the first order of business will be approval for a "Resolution to Ratify" the WTO Accession Protocol. This may be passed as early as October 19, if the current schedule holds. This resolution, with the Protocol attached, would commit Vietnam to making all legal changes needed to implement the terms of the Protocol.
- ¶4. (SBU) NA leaders anticipate that changes to specific laws will be necessary, thus the NA's work will need to extend beyond merely ratifying the Protocol. Initially fearing that there would not be enough time to develop and consider language for actual amendments in the upcoming session, NA leaders were considering two options:
- -- Option 1: Attach an annex to the Resolution with a list of laws that the NA promises to amend in the 2007 spring session, after the NA and the GVN have had time to develop and consider specific language for the amendments.
- -- Option 2: Make the Accession Protocol self-enforcing in line with the new Treaties Law, which would mean that the Protocol, or designated specific parts, would become Vietnamese law.
- 15. (SBU) We understand that the NA leaders' thinking has since evolved. They now consider that specific legal changes will be best made at the time of ratification. Therefore, they are considering whether to: (a) append to the "Resolution on Ratification" a list of changes in specific laws; or (b) pass an omnibus law containing the actual changes. Either alternative would be legally binding. As noted above, NA leaders have still not received details from the government on specific legal changes required, but their understanding is that the number of changes that will have to be made will be relatively small and that there will be enough time for

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the government to draft new language and explain the needed changes to the NA.

Comment

16. (SBU) NA leaders want to express their strong political support for WTO accession through legislative action, but our contacts remains confused and somewhat concerned that they will not have time to do their part. Multilateral discussions continue, which helps explain why the government has yet to start working with the NA on necessary changes. This leaves the NA leaders to debate option and discuss process, and we will continue to track that debate. It is encouraging that NA leaders now recognize the shortcomings of limiting their initial legislative moves to making promises of future actions over coming sessions.

MARINE